

# THE PLAIN DEALER

OHIO'S LARGEST NEWSPAPER CLEVELAND, THURSDAY, AUGUST 29, 1985

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## Mafia chief to testify in casino scam

By W. STEVENS RICKS  
STAFF WRITER

Reputed Cleveland Mafia underboss Angelo A. Lonardo has agreed to testify against alleged organized crime figures from Cleveland, Chicago, Milwaukee and Kansas City who are accused of having an illegal interest in two Las Vegas casinos, according to a memorandum circulated to defense lawyers in the case.

Lonardo, 75, has been serving a life sentence in federal custody for participating in a \$15 million-a-year

Northeast Ohio drug ring. Justice Department sources called Lonardo's conversion a major breakthrough, making him one of the highest-level Mafia leaders ever to turn government witness.

Milton J. Rockman, described by federal investigators as the financial adviser to the Cleveland organized crime family, is one of 11 remaining defendants in an eight-count racketeering-conspiracy indictment scheduled to go to trial next week in U.S. District Court in Kansas City.

Also charged are Joseph J. Aiuppa, reputed boss of the Chicago crime family; Frank P. Balistreri, alleged Milwaukee family boss, and Carl A. DeLuna, one of two men said to control the Kansas City outfit.

Six other men who were indicted in the case are awaiting sentencing after entering guilty pleas, including reputed Kansas City Mafia boss Carl Civella. Civella is already serving a 30-year term for his part in allegedly skimming proceeds from another Las

Vegas casino, the Tropicana Hotel & Country Club.

The Kansas City case, the second part of a Justice Department strike force investigation code-named "Strawman," has been regarded as the first attempt to link organized crime families in different cities to joint illicit activities in Las Vegas. The defendants are accused of secretly owning the Stardust and Freemont Hotel-Casinos between 1974 and 1979.

The case is expected to shed light on

alleged abuse of the Teamsters Central States Pension Fund, which helped fund casino purchases and renovations. A central figure in the case is Allen R. Glick, a LaJolla, Calif., businessman who rose from obscurity to the ownership of several Las Vegas casinos using Teamsters pension fund loans as a stake. He was not indicted.

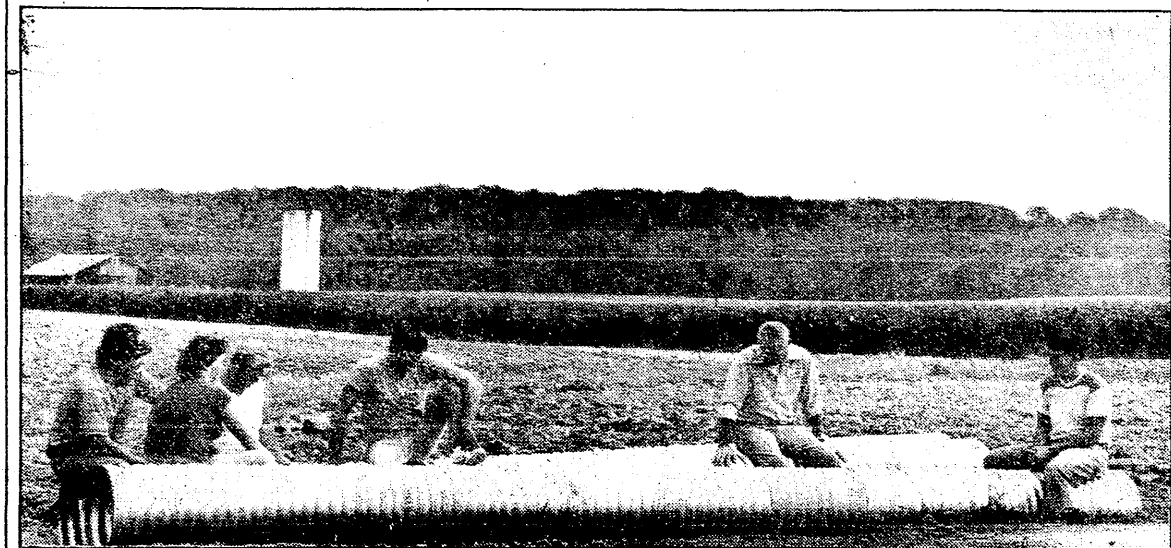
Lonardo was originally identified in federal court documents as an alleged courier of money skimmed from Las Vegas casinos and destined for Chicago and Cleveland Mafia members.

He refused to testify in 1983 before a federal grand jury in Kansas City, despite a grant of immunity.

Since then, federal prosecutors have hammered out an agreement to put him in FBI custody in exchange for his testimony in the casino cases. But it was not immediately clear whether he would join the federal witness protection program, an investigator familiar with the case said.

"He's going to be a very crucial witness," said a Justice Department official.

## Farming town mourns its lost friends



Neighbors wait for word of the missing man, Bob Galehouse. His body was later found buried in the silo.

## 3 firefighters die in Chippewa Twp. silo blast

By KATHERINE L. SIEMON  
STAFF WRITER

MARSHALLVILLE — The people of Marshallville aren't talking too much about the grain silo explosion on the edge of town that killed three of their volunteer firefighters and injured a fourth Tuesday.

It's that kind of town — quiet and sleepy, where everyone knows everyone. And everyone takes care of everyone else without anyone needing to ask.

Farmers and other townsmen gathered yesterday among the cornfields and pastures of cows in nearby Chippewa Township, about 15 miles southwest of Akron, taking a day off to see if they could help in the search for one of the victims, whose body was later found buried in the silo. The townswomen filed by throughout the day with food for rescue workers digging in the rubble. A breakfast of bacon and eggs was waiting for those who worked though the night.

"Everybody here's a neighbor — everybody here knows everybody," said Dennis

Miller, who lives up the road from the farm where the explosion occurred.

"Everybody feels so bad they just want to do something," said Carolyn Baer.

Baer and her husband, Elmer, dairy farmers nearby, were there awaiting word on their high school friend Bob Galehouse, a fellow farmer and volunteer firefighter who was believed to have been thrown into the silo containing some 50 tons of alfalfa when the top of the silo blew.

"You can always hope," she said. "You can always hope."

Galehouse was dead when he was found shortly after 6 p.m. yesterday, Chippewa Township Fire Chief Paul Mong said.

Galehouse and the two other firefighters killed were on top of the 80-foot concrete silo pouring water into two manholes when it exploded. The others, Thomas Ware, 36, a village councilman, and Edward Brillhart, 21, son of Marshallville Fire Chief Herbert Brillhart, were thrown to the ground. A

fourth man, Lonnie Starcher, 50, of Marshallville, was in fair condition at Dunlap Memorial Hospital with a broken leg. He was believed to have been standing on top of the silo.

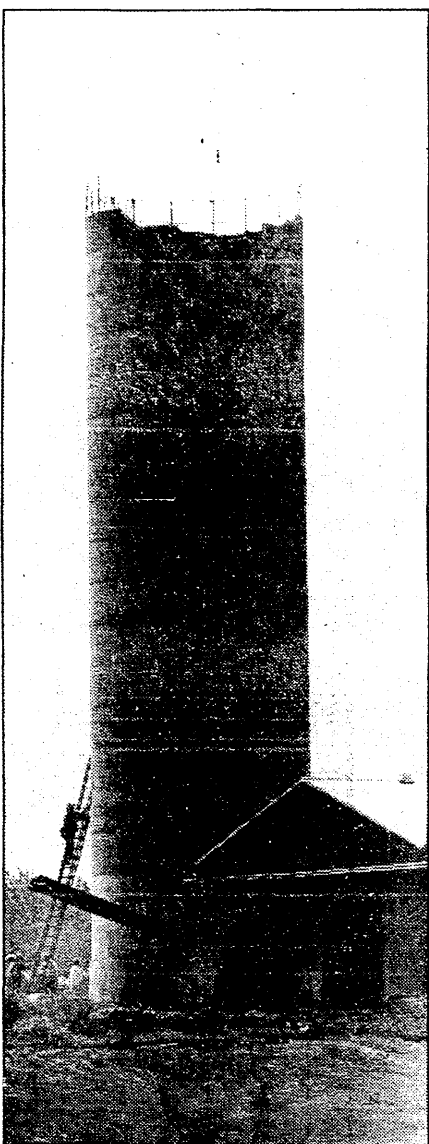
Friends say Herbert Brillhart has been at the scene looking for Galehouse since the explosion.

"He shouldn't be up there; he had his boy killed," said one farmer. "I don't know why they don't let us guys go up there and help."

Late yesterday, no one knew what caused the explosion. The state fire marshal's office began investigating. Neighbors with silos of their own said it was not uncommon for material stored in silos to get hot and to start a fire.

Tom Noyes, of Wayne County's Cooperative Extension Service, said the moisture content of the material stored in silos is critical in preventing fires and explosions. If the material is too dry, it can burn and explode if gases cannot escape. But he did

See SILO, PAGE 10-A



PD/DIANA MCNEES

Rescue workers search for Marshallville firefighter.

## Abuse bureau to form

### Sex victims to get support

By V. DAVID SARTIN  
STAFF WRITER

After pressure from City Council and advocates for women's and children's rights groups, the administration of Mayor George V. Voinovich will form a sex crime and child abuse bureau within the Police Department.

Beginning Monday, the 17-member unit will launch a clearinghouse for information on missing children and investigate child abuse and child pornography. The bureau also will handle all felonies for sex crimes against adults and children.

"I don't know that we can control the number of sex crimes that are committed — other than the (small) ripple effect that is created by putting some sex crime criminals in jail," said Lt. Lucie J. Krause, head of the sex crime and child abuse unit.

"But, what I hope we can do is be more efficient in handling (sex crime investigations) and lessen the trauma to the victims."

"That may make sex crime victims more likely to report crimes. And, that will help in getting convictions."

At a special, three-hour council committee meeting earlier this year, advocates for victims rights groups complained that sex offenders were frequently confident that crimes would not be reported and criminals would not be prosecuted. Testimony depicted a harsh and often traumatic experience awaiting youths and adults who claim they have been sexually abused.

Victims fear they will be forced to publicly identify assailants, the victims' privacy will be invaded and the mental torture of the sex act will be re-created in various police and welfare agency reports that must be filed, said advocates.

Police records indicate that more than 1,100 sex crimes were reported in Cleveland in the first nine months of 1985. It could not be determined the number of sex offenses of which children were victims.

Krause said yesterday that sex crime and child abuse investigators would receive a month of specialized training to help them ease the victims' tensions and anxiety.

Krause, one of three women supervising the group, said police would work with victims rights groups, welfare agencies, legal authorities and others to improve communications on sex crimes. Krause, a former street patrolwoman and a supervisor in the vice squad covering downtown and the hostage negotiations team, said sex-

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## LTV Steel plans cuts in salaries

By THOMAS W. GERDEL  
STAFF WRITER

LTV Steel Co., which has \$630 million in total losses so far this year, plans across-the-board pay cuts for salaried employees and significant changes in its pension arrangements.

Company employees who did not wish to be identified said pay cuts of 7% to 10% would begin Sunday and would be permanent.

LTV Steel would institute a new pension plan for all its salaried employees, and benefits, years of service and salaries under the old plan would be frozen, the employees said.

Mark Tomasch, LTV Steel spokesman here, confirmed yesterday that some changes would be forthcoming, but said it was company policy to notify employees first of changes.

The changes would mean reduced benefits to employees, but savings for the company.

The former Republic Steel Corp., which merged into LTV Corp. to form the giant steel company last year, had cut salaries of white-collar employees several years ago, but later restored those pay cuts.

An LTV Steel employee said the coming pension changes could lead to more people leaving the company. "My years of service don't mean anything anymore," the employee said.

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Three special preview sections. In the pro section, find out the "real" Bernie Kosar story and how the Browns will fare this year. In the college section, Ohio State will try for No. 1 behind Keith Byars. It'll be a big year for high school quarterbacks. Get all the facts, figures and schedules in Friday's Plain Dealer.

## A FOOTBALL FAN'S DREAM

### INSIDE

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Weather: Variable clouds with showers and a thunderstorm.

## South Africa police crush march; 5 blacks killed, dozens wounded

FROM WIRE REPORTS

CAPE TOWN, South Africa — At least five blacks were killed and dozens more wounded yesterday as police put on a massive show of physical force in crushing a planned protest march. More than 40 of the march's organizers and participants were arrested.

The worst violence occurred in Guguletu, this sprawling black township, where police in riot gear used shotguns, tear gas and rubber bullets to break up a crowd of several thousand marchers. Some of the protesters

then went on a rampage, burning a beer hall and at least five cars. Five men were reported killed and 65 people wounded by police shotgun fire.

In nearby Athlone, a township of mixed race or "colored" residents, police ignored pleas from clerics leading another group of marchers and charged demonstrators who had gathered peacefully. Hundreds of people, heads bleeding from plastic whip cuts and eyes and throats burning from tear gas, scattered blindly through the narrow streets.

Police later laid siege to a nearby

teachers' college, where many protesters had taken refuge, peppering the campus with tear gas and rubber bullets. See S. AFRICA, PAGE 10-A

Critics say school textbooks distort what has happened in South Africa, Page 4-A.

Reagan's comments on South Africa get sympathy from radio listeners, Page 4-A.

Two leaders of the strongest South African black underground organization promise an arms buildup, Page 10-A.

## 50 firms went tax-free under Reagan

### 'Corporate freeloaders' enjoyed big refunds, group says

By TOM DIEMER

PD BUREAU

WASHINGTON — Fifty major companies — defense contractors, oil companies and utilities among them — paid no federal income taxes and in some cases received net refunds totaling \$2.4 billion during President Reagan's first term, a tax reform group reported yesterday.

In addition, 129 of the 275 companies surveyed by Citizens for Tax Justice paid no federal taxes in at

least one of the four years.

"It is a picture of unparalleled success in beating the federal tax collector," said Robert S. McIntyre, the Washington-based organization's director of federal tax policy. "Unfortunately, the president's so-called tax reform plan would do nothing to put these corporate freeloaders back on the tax rolls."

The organization will use its findings to pressure Congress and the Reagan administration for a fail-safe

minimum corporate tax and the closing of loopholes expanded by Reagan's 1981 tax bill.

Ohio Edison Co., which sold tax benefits in 1981 and 1982, wound up the four-year period with a \$31.8 million net refund, or a minus 2.1% federal tax rate. (Reagan's now-repealed "safe harbor leasing" program allowed corporations to buy tax shelters from other companies.) Ohio Edison made \$1.5 billion in profits

during the four years, the citizens group said.

Columbia Gas System, the parent of Columbia Gas of Ohio, netted a \$15.9 million federal tax refund between 1981 and 1984, the study said.

The Boeing Co. led the list, netting \$285 million in tax dollars returned, even though it had \$2.09 billion in

See TAXES, PAGE 12-A

IRS seeks \$87,000 in back taxes and fees from former Medina County deputy state registrar, Page 2-F.

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